# SCHOOL BUDGET REVIEW COMMITTEE Summary of Action October 4, 2011

The School Budget Review Committee met in regular session on Tuesday, October 4, 2011, at the Department of Education, ICN Room, Second Floor, Grimes State Office Building, 400 E. 14<sup>th</sup> St., Des Moines, Iowa 50319-0146. The following members were present: Director Jason Glass, Department of Education, Director Dave Roederer, Department of Management, and public committee members Jane Babcock, Gina Primmer, and Leland Tack. Member Brian Thilges was absent. Votes were unanimous, with members Jane Babcock and Gina Primmer recusing themselves for portions of hearing item 7 due to conflicts of interest.

#### 1. Committee Informational Items.

<u>SBRC Work Session Feedback</u>. The SBRC discussed the two days of work session it held during the summer. The members felt the work session was useful and suggested that a half-day work session/retreat be scheduled annually. The members will be involved in the agenda setting.

<u>State Appeal Board</u>. The SBRC was given an update on the issues of financial condition in proprietary funds discussed at the State Appeal Board hearing on October 3, 2011, and the potential for hearings before the SBRC related to interfund transfers and deficit balances.

<u>Board Action</u>. The SBRC in general discussion stated it wants evidence, such as the published board minutes, showing that each board is aware of, has discussed, and has authorized by official action, the request for modified allowable growth before the SBRC. Districts on the agenda will be notified to send the publication from the newspaper of the board action authorizing the request for modified allowable growth.

#### 2. Moravia Community School District.

The decision of the Committee in this matter is to approve modified allowable growth for the 2011-2012 school year in the amount of \$146,856 for a one-year lapse in the Instructional Support Program that has been renewed.

### 3. Alburnett Community School District.

The decision of the Committee in this matter is to approve modified allowable growth for the 2011-2012 school year in the amount of \$243,872 for a one-year lapse in the Instructional Support Program that has been renewed.

#### 4. Clarion-Goldfield Community School District.

The decision of the Committee in this matter is to approve modified allowable growth for the 2011-2012 school year in the amount of \$19,506 for costs associated with excess costs of transporting a regular education student to a court-appointed day program outside the district.

## 5. Reorganization Progress Reports.

The decision of the Committee in this matter is to accept the reports of progress toward reorganization submitted by the whole-grade-sharing districts listed for approval and to allow those districts to request supplementary weighting for whole-grade sharing on their October 1, 2011, certified supplementary weighting enrollment for eligible resident students.

Recommend approval:

Anton-Oto & Maple Valley (reorganized as of 7/1/12) Battle Creek-Ida Grove & Odebolt-Arthur (election 9/13/11; did not pass) Fremont (one way sharing) & Eddyville (reorganized as of 7/1/12) Pocahontas Area & Pomeroy-Palmer (reorganized as of 7/1/12)

Districts with future elections may or may not request supplementary weighting, depending on the outcome of the election.

Recommend denial due to inadequate progress toward reorganization: Corwith-Wesley & LuVerne North Winneshiek (one-way sharing) & Decorah Schleswig (one-way sharing) & Denison

Districts denied may present more evidence of progress to be considered at the December 2011 hearings.

Districts not requesting supplementary weighting for this year:
Eldora-New Providence & Hubbard-Radcliffe
Fredericksburg & Sumner
Gilmore City-Bradgate & Twin Rivers
Morning Sun (one-way sharing) & Winfield-Mt. Union/Mediapolis/Wapello
North Kossuth & Sentral

These districts have previously requested supplementary weighting for whole-grade sharing but have not yet used all three years of eligibility.

## 6. SBRC Rules Notification

9:50

The decision of the Committee in this matter is to notice amendments for 289 chapter 6 as modified.

The SBRC as its own separate agency has its own section of Iowa Administrative Code, 289, and therefore must take action to notice and to adopt its own rules. In 2010-2011, the SBRC adopted amendments to all other chapters in its rules and rescinded chapter 7 on on-time funding. The amendments to the rules will be published in the Iowa Administrative Bulletin in early November. The Bulletin may be found on this webpage at that time: <a href="http://www.legis.state.ia.us/IAC.html">http://www.legis.state.ia.us/IAC.html</a>

Interested individuals may make written comments on the proposed amendments on or before November 22, 2011, at 4:30 p.m. Comments on the proposed amendments should be directed to Su McCurdy, Administrative Consultant, Iowa Department of Education, Second Floor, Grimes State Office Building, East 14th Street and Grand Avenue, Des Moines, Iowa 50319–0146; telephone (515)281–4738; E-mail <a href="mailto:su.mccurdy@iowa.gov">su.mccurdy@iowa.gov</a>; or fax (515)242–5988 to the attention of Su McCurdy.

A public hearing will be held on November 22, 2011, from 1:00 p.m. to 2:00 p.m. in the State Board Room on the second floor of the Grimes State Office Building, East 14th Street and Grand Avenue, Des Moines, Iowa, at which time persons may present their views either orally or in writing. Any person who desires to attend the public hearing and has special requirements, such as those related to hearing or mobility impairments, may advise the Department of Education of specific needs by calling (515)281–5295.

## 7. Late Filers of CAR Reports.

The Committee took action in three parts to allow members Babcock and Primmer to recuse themselves on portions of this hearing.

- (1) The decision of the Committee in this matter is to direct all districts and AEAs to file all future CAR-COA reports in the manner and by the date prescribed by the Department of Education, including extensions granted for unusual circumstances that meet the definition of good cause. The date prescribed is September 15 following the close of the fiscal year.
- (2) The decision of the Committee in this matter is to instruct the Director of the Department of Management to withhold state aid to Colo-Nesco Community School District if it has not filed and certified its CAR by 8:00 a.m. on Monday, October 10, 2011, and to continue withholding state aid until the committee's inquires are satisfied completely. [For example, October state aid will be withheld until the normal state aid payment date in November if the district has uploaded and certified its FY11 CAR by the first day of the month of November. If not, both October and November state aid will be withheld until the normal state aid payment date in December if the district has uploaded and certified its FY11 CAR by December 1, and so on.] Member Jane Babcock recused herself. *Note:* The district certified its CAR after the SBRC hearing and before the close of business on October 4, 2011.
- (3) It is the decision of the committee in this matter to require each district or AEA that did not certify its CAR by September 15, 2011, or by the extended due date if applicable, to appear before the committee in December 2011 to present the procedures that the district will implement to prevent late filing of Certified Annual Report-Chart of Account (CAR-COA), special education supplement (CAR-SES), and transportation reports in future years. Member Gina Primmer recused herself.